

CHAPTER NO. 40

HOUSE BILL NO. 1273

By Representative Kisber

Substituted for: Senate Bill No. 900

By Senator Rochelle

AN ACT to amend Tennessee Code Annotated, Title 47, Chapter 14, relative to commercial instruments and transactions.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 47-14-120, is amended by adding the following at the end of the section:

It shall be permitted to include in a motor vehicle retail installment contract containing the time price differential any amounts actually paid or to be paid by a seller pursuant to an agreement with a buyer to discharge a security interest, lien or lease interest on property traded in by a buyer. It shall also be permitted for any lessor of a motor vehicle to include in a lease the outstanding balance of a prior loan or lease of a motor vehicle used as a trade-in, as well as other items that are capitalized or amortized during the lease term without any regulation of interest, loans or loan charges, commitment fees or brokerage commissions, regardless of whether the lessor disposes of the lease containing the payoff balance pursuant to a prearranged agreement, on a recourse basis, or otherwise.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.

PASSED: March 17, 1999


JIMMY NAIFEH, SPEAKER
HOUSE OF REPRESENTATIVES


JOHN S. WILDER
SPEAKER OF THE SENATE

APPROVED this 26th day of March 1999


DON SUNDQUIST, GOVERNOR